# The Role of Crypto in Humanitarian Aid and Disaster Relief

Cryptocurrency and blockchain technology are quickly rising to become an important part of society. Far beyond just as an investment vehicle.

One of the main ways cryptocurrency helps society is during disaster relief, and not in the way you may think. Read on to learn more about the detailed role of cryptocurrency in humanitarian aid and disaster relief.

## Crypto Transfers Are Fast

One of the most positive aspects of cryptocurrency is the ability to send [large amounts of money quickly](https://medium.com/%40payototoken/the-role-of-cryptocurrency-in-disaster-relief-and-humanitarian-aid-1d3d801d66fa), with transactions being approved within a second on some blockchains, and within 30 minutes on some of the more famous ones like Bitcoin. This is a far cry from [traditional SWIFT transfers](https://www.swift.com/homepage), which can often take days to approve.

Cryptocurrency has already proven that it was designed for this purpose in 2022 and 2023 when [Stellar](https://www.mintdice.com/blog/stellar-consensus-a-decentralized-payment-protocol) was used to send funds to [war-torn Ukraine](https://www.mintdice.com/blog/cryptocurrencys-role-in-ukraine). Individuals there were able to immediately cash donations at their local MoneyGram locations. This allowed individuals to get the funds they needed in order to evacuate quickly, likely saving hundreds if not thousands of Ukrainian lives.

## Less Administrative Waste

We know you don’t want to hear it, and we didn’t either when we first found out. But with non-profits like [Red Cross](https://www.redcross.org/?srsltid=AfmBOormy1CeRf2dKF2YVbA0dJHn99PDH3GbWJrIDi3jnunBhnnbz167) and [Salvation Army](https://www.salvationarmyusa.org/), there is a large [amount of administrative overhead](https://www.linkedin.com/pulse/crypto-disaster-relief-new-frontier-humanitarian-aid-kai-w-schwab-2tgqf/) when running these companies. This means that a large portion of what you donate doesn’t actually end up with the individuals you intended to donate to.

Of course, there are still fees with cryptocurrency transactions, but they are listed when you make the transfer, so you know just how much is being spent on the price of sending your money. There is also no need for additional ATM fees or bank fees on the receiving end, and no need for an individual to put themselves in harm’s way to deliver the money, more on that below.

## Safety for Humanitarian Aid Workers

Back in the day, if you wanted to deliver money to those affected by a war, you often had to cross a lot of political red tape, and even then, you had to sneak over borders to get the [supplies/cash where they were needed most](https://www.theguardian.com/politics/2010/oct/19/aid-billions-diverted-to-war-zones). Thanks to cryptocurrency, that is no longer the case as the money can be sent 100% remotely and the individual is able to turn it into purchasing supplies as needed. While cryptocurrency isn’t quite as widely accepted as local currency, it is usually possible to at least use it to some extent.

## Blockchain for Identity

One of the more difficult aspects of being a refugee is trying to [prove who you are](https://thegivingblock.com/resources/crypto-donations-for-emergency-relief/) if you are able to somehow escape a warzone. A blockchain-based identity can be a way to prove who you are, even when everything goes wrong. Unfortunately, for many of the ways currently occurring, they happened too soon for widespread [blockchain-based identity](https://news.mit.edu/2017/using-bitcoin-prevent-identity-theft-0524) to be implemented. However, in the future, we believe this will be a positive use of using blockchain technology.

## Cryptocurrency is Borderless

You probably are already aware, but one of the best aspects of cryptocurrency is that it is borderless. No matter where you live or what currency your country uses, cryptocurrency is something that is not tied to any government and can be used independently. While there is still a bit of a learning curve to using cryptocurrency, thanks to [MoneyGram](https://www.moneygram.com/us/en) and [Bitcoin ATM locations](https://coinatmradar.com/), cryptocurrency can be exchanged for local cash almost anywhere in the world. You will still lose a small amount to a fee, but we find this is worth it, especially for those who aren’t able to access traditional banking.

Not only that, but anyone from anywhere can donate to anyone from anywhere—simplifying the donation process like never before.

## Financial Independence

Traditional banking has long been restricted to only being accessible to those in developed countries with inclusive banking practices. Thanks to cryptocurrency, there is now an option for financial literacy that doesn’t involve traditional banking or rely on a country’s infrastructure to be successful.

While there is still a learning curve for using cryptocurrency, at least there is an option for those who don’t have traditional banking as an option. Plus, cryptocurrency management and blockchain technology provides far more transparency than most of the banks we’ve worked with.

## Security

Unfortunately, there are bad people out there—in every country and in every government. Although we want to believe that governments will do the right thing when their country is suffering, the majority of the time they don’t. This means that occasionally, funds sent for humanitarian aid are stolen or redirected illegally.

Blockchain technology puts a stop to this, as it is often used to send funds directly to someone who needs them. There is no need to [go through shady government systems](https://www.sciencedirect.com/science/article/abs/pii/S0038012121001671), and the ledger allows you to ensure your transaction ends up in the exact wallet you sent it to.

## More Robust Supply Chains

Hunger kills thousands of individuals around the world each year and many of these aren’t even living in war zones. Of course, some of them are, but others are instead the victims of a supply chain collapse due to war.

Bitcoin and blockchain technology won’t fix a port that is barricaded of course, but it does serve to make a more [robust system](https://hbr.org/2020/05/building-a-transparent-supply-chain) which is less likely to be knocked offline by flood, failure, and more. Blockchain technology is even resilient to internet failure—in most instances.

Many industries are already moving toward using blockchains to better streamline their supply chains, and we expect that this will only increase, both inside and outside of the humanitarian sector.

Overall, cryptocurrency has already made waves in the humanitarian sector, and we expect this to continue and grow. No matter how you feel about blockchain technology, it is a part of the future—especially in places where individuals may not have one otherwise.

There are many places you can donate cryptocurrency to provide humanitarian aid around the world. We recommend starting with a Google search or checking out [How to Donate Crypto](https://www.mintdice.com/blog/how-to-donate-crypto).